

**SECTION II – SPECIFIC COMPLIANCE**  
**FUND 20 – SPECIAL REVENUE FUND**

### **TPAF Reimbursement**

*N.J.S.A.* 18A:66-90 requires that each local board of education reimburse the state for the employer share of pensions, group life insurance, FICA and other benefits of the Teachers' Pension and Annuity Fund (TPAF) for TPAF members carrying out and paid from federally funded programs.

Districts were given specific guidance in a hotline dated June 29, 1993 on accruing a liability for the TPAF Pension and Social Security related to salaries charged to federal grants. The reimbursement must be made by the September 30th following the fiscal year end. Auditors are required to certify the accuracy of the reimbursement via their signature on the reimbursement form submitted by the district with the actual reimbursement. If submission of the reimbursement form is performed prior to the completion of audit procedures, the form may initially be submitted without the required auditor signature and a revised form reflecting the auditor signature may be subsequently submitted.

Auditors should also include in their audit procedures a test of the biweekly reimbursement forms filed with the department for all TPAF employees.

### **Restricted State Aids**

Under CEIFA four restricted state formula aids, Demonstrably Effective Program Aid (DEPA), Early Childhood Program Aid (ECPA), Distance Learning Network Aid (DLNA), and Instructional Supplement Aid (ISA), were enacted and are accounted for in the special revenue fund. These restricted formula aids may only be expended for allowable expenditures in accordance with the type of aid received. The district wide actual totals of these restricted formula aids are to be included in the Special Revenue Fund – *Combining Schedule of Revenues and Expenditures* (Exhibit C-2) **(GASB 34 Model, Exhibit E-1)** on the budgetary basis. The 2001-02 budget allowed for anticipated carryover for these four restricted formula aids. The following is a description and the reporting requirements for these aids.

Currently under GAAP, there are no fund balances related to grant revenues in excess of expenditures in the special revenue fund since the revenue recognition criteria in the Special Revenue Fund requires that any excess be reported as deferred revenue. This also applies to the four restricted state aids (ECPA, DEPA, DLNA, ISA) being accounted for in the special revenue fund.

***Auditor's Note*** – Auditors should review The Abbott Addendum for items that specifically relate to Abbott districts.

### **Demonstrably Effective Program Aid**

*N.J.A.C.* 6:19-1.2 defines demonstrably effective programs (DEP) as those programs, strategies or services pursuant to *N.J.S.A.* 18A:7F-18 that are established through state resources and are research based or have demonstrated through strong, logical, empirical, research evidence that improvement in academic performance is educationally significant. Such programs, strategies or services result in high student achievement. Under *N.J.S.A.* 18A:7F-18b.(3), districts receiving DEPA **are required to maintain separate program and service accounts in the special revenue section of the budget and in the financial records in accordance with GAAP and N.J.A.C. 6A:23-2.2.** Effective July 1, 2001, districts may no longer use ECPA for DEPA or educationally meritorious programs, and may no longer deposit ECPA into an early childhood capital reserve account or utilize ECPA for construction activities. Districts receiving DEPA must maintain the budget to actual status of the appropriations at the location level by program/strategy. Districts that fail to use DEPA as required by *N.J.A.C.* 6:19-4.1 shall be subject to recession of aid and additional monetary penalties as established by the Commissioner.

### Deferred Revenue/Carryover

Under CEIFA, DEPA must be utilized in the schools that generated the aid and the carryover of deferred DEPA funds must remain at the school that generated the balances. DEPA revenue that was not expended or encumbered by June 30th of the budget year are classified as deferred revenue in the financial accounts and statements of the district and added to the revenue of a subsequent year budget in one of three ways:

1. When identified prior to the preparation of the subsequent year budget and incorporated therein;
2. Appropriated during the subsequent year with the approval of the Commissioner or his designee; or
3. Retained as deferred revenue until the second subsequent year budget.

A 2000-2001 Carryover Funds form was required to be utilized by districts to request use of the 2000-2001 DEPA balances or to adjust prior estimates (a copy of this form with instructions was distributed via memoranda dated October 19, 2001 for non Abbott districts or October 25, 2000 for Abbott districts ). A district that anticipated carryover balances when preparing its 2001-02 budget may have been required to amend its approved plan if the estimated amount anticipated was incorrect. Districts were required to have the use of DEPA carryovers approved by board resolution. There is no requirement to track the carryover funds in separate revenue or expenditure accounts by year. Once approved, these funds become current year revenue and expenditures and the calculation of deferred revenue amounts at June 30, 2002 will not require delineation as to year of origin. A district board of education shall use the carryover at the location that generated the aid and must be used only for approved demonstrably effective programs, strategies or services pursuant to *N.J.A.C. 6:19-4.1(a)1*.

### Transfers/Revisions

A transfer notification form is required for all DEPA revisions to notify the department of the plan amendments and in some cases to document the approval of the transfer. Minor revisions, which are defined as those which do not jeopardize the accomplishment of the objective nor shift more than a cumulative 10 percent of the money allocated for the program/strategy, do not require prior written approval. Substantive revisions which require prior written approval, include the elimination of a strategy or reallocation of more than a cumulative 10 percent of the money allocated to the strategy/program. Either the chief school administrator or school business administrator must sign the transfer forms. Copies of the forms are kept on file at the district and with the department and are available for audit.

*Auditor's Note* – Verify that the correct 2001-02 entitlement was included in the district's budget.

*Auditor's Note* – Auditors should review The Abbott Addendum for items that specifically relate to Abbott districts.

**For non-Abbott districts**, the transfer notification form is submitted to the county superintendent who is responsible for review and, if necessary, approval. Substantive revisions require prior written approval. The transfer form is returned to the district indicating approval of the plan revision in the space provided. Acknowledgment of receipt of minor transfers/revisions is made through the return of the transfer notification form to the district. The county office monitors the district transfer approval submissions for non-Abbott districts.

### Expenditure of Funds

Expenditures for this program are reported in the CAFR on the budgetary basis. The *Combining Balance Sheet* will include encumbrances for this aid as deferred revenue. **(GASB 34 Model – the budgetary basis reporting will continue in the *Combining Schedule of Revenues and Expenditures Special Revenue Fund – Budgetary Basis*, Exhibit E-1 and in the Budgetary Comparison Schedule – Special Revenue Fund. Encumbrances are a reconciling item in the Required Supplementary Information (RSI), Budgetary**

**Comparison Schedule, Note to RSI)** DEPA must be spent at the school that generated the aid. As part of the June 30th CAFR districts are required to prepare DEPA budgetary statements, using the minimum outline for the special revenue fund, for each location for each program/strategy, including a calculation of actual carryover by location. In order to properly reflect the actual carryover as of June 30, 2002, a calculation must be performed for unbudgeted DEPA funds at each school along with June 30, 2002 unexpended/unencumbered funds for that school. A sample of an unbudgeted DEPA funds calculation is as follows:

Total Revised 2001-02 DEPA Allocation	\$ 2,080,000 (1)
Actual DEPA Carryover (June 30, 2001)	<u>81,963 (2)</u>
Total DEPA Funds Available for 2001-02 Budget	\$ 2,161,963 (3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	<u>(2,151,000) (4)</u>
Available & Unbudgeted DEPA Funds as of June 30, 2002	<u>\$ 10,963 (5)</u>

- (1) Represents the revised 2001-02 allocation.
- (2) Represents the actual DEPA carryover from the June 30, 2001 CAFR.
- (3) Represents the total DEPA funds available for the 2001-02 Budget.
- (4) Amount budgeted in district's records (including prior year budgeted carryover, 2001-02 entitlement and any transfers/revisions made during 2001-02)
- (5) Represents unbudgeted DEPA funds and deferred revenue as of June 30, 2002.

Total DEPA deferred revenue by location will be (5) above plus any 2001-02 unexpended/unencumbered funds. Sample exhibits have been included that reflect different scenarios to assist in the preparation of these statements.

The bottom portion of each DEPA budgetary statement includes a summary of location totals. The total DEPA deferred revenue per this statement must agree to the total of the deferred revenue reported on Schedule B, Schedule of Expenditures of State Financial Assistance, under DEPA. Any DEPA carryover must be carried over for expenditure in the location that generated the revenue. These statements are the responsibility of the district.

*Auditor's Note* – No negative carryover balances (i.e. overexpenditures) are to be reflected in the individual school locations. If overexpenditures occur, they should be reclassified and included as a finding in the *Auditors' Management Report*. District wide actual results from the school schedules, Exhibits C-3 to C-6 **(GASB 34 Model – Exhibits E-2 series)** are also to be reflected in the *Combining Schedule of Revenues and Expenditures – Budgetary Basis*, Exhibit C-2 **(GASB 34 Model – Exhibit E-1).**

Under *N.J.S.A.18A:7F-18b.(3)*, districts receiving DEPA must maintain separate program and service accounts in the special revenue fund. This requires an expanded coding structure for those districts' chart of accounts to track expenditures by program and location. It was suggested that the districts include a three-digit dimension for the program/project code and a two or three digit dimension, depending on the number of schools, for location. The program code must clearly delineate between the approved demonstrably effective programs. A list of DEP codes utilized in 2001-02 is contained on pages 137-138 of the 2001-02 Budget Guidelines, and descriptions of these programs are included in Appendix C of that document. The appropriations are summarized under three functions, (1) instruction, (2) support, and (3) facilities acquisition and construction services, at the object level following the minimum outline for the special revenue fund. **A separate line is used for the Contribution to Charter Schools.** (Note that pursuant to CEIFA, 2000-01 was the last year in which ECPA could be used for DEP and educationally meritorious programs.)

Audit procedures to be performed should include verifying that the funds were expended only for approved demonstrably effective programs, strategies or services pursuant to *N.J.A.C. 6:19-4.1(a)1* and are in compliance with the department approved DEP school-level operational plans. Auditors should verify that the required Carryover Funds form was filed and that the proper revisions were made for June 30, 2001 carryovers by location. Auditors should verify if the 2001-02 DEPA plan was amended to reflect audited carryover balances, on a test basis that the district has completed the transfer notification form for DEPA transfers and where appropriate obtained prior written approval. Minor transfers, that do not jeopardize the accomplishment of an objective or shift more than 10% of the money allocated for the program/strategy, did not require prior written approval. Substantive revisions that included the elimination of a strategy or reallocation of more than 10%, required prior written approval. See the State Aid/Grant Compliance Supplement available for the applicable year on the NJ Treasury (OMB) web site for further audit procedures.

All instances of non-compliance must be included in the Auditor's Management Report, including if the district is not tracking expenditures by program and location.

### Early Childhood Program Aid

Pursuant to *N.J.S.A. 18A:7F-16*, districts with high concentrations of low income students shall establish preschool and full day kindergarten for all four and five year-olds by the 2001-02 school year and shall maintain them thereafter. (Note: This deadline was accelerated for Abbott districts under the May 21, 1998 Abbott v. Burke decision.) County vocational schools and limited purpose regional school districts eligible for ECPA receive their aid as DEPA rather than ECPA. Districts which have fully implemented preschool and full-day kindergarten are required to continue the full operation of such programs for as long as they receive ECPA. Beginning in the year 2001-02 school year, districts can only use ECPA for preschool, full-day kindergarten and other early childhood programs and services.

ECPA revenue that was not expended or encumbered by June 30th of the budget year shall be classified as deferred revenue in the financial accounts and statements of the district and added to the revenue of a subsequent year budget in one of the three ways previously outlined on page II-20.2. Also, the aforementioned *Deferred Revenue/Carryover* and *Transfers/Revisions* restrictions described under DEPA apply to ECPA. A district board of education shall use all new or deferred revenue only for the purpose of early childhood programs.

As part of the June 30th CAFR districts are required to prepare a budgetary basis statement for ECPA expenditures using the minimum outline required for the special revenue fund, including a calculation of the unbudgeted ECPA funds along with June 30, 2002 unexpended/unencumbered funds. A sample of an unbudgeted ECPA funds calculation follows:

Total Revised 2001-02 ECPA Allocation	\$ 1,642,835 (1)
Add: Actual ECPA Carryover (June 30, 2001)	37,556 (2)
Add: Budgeted transfer from General Fund	<u>20,000 (3)</u>
Total ECPA Funds Available for 2001-02 Budget	1,700,391
Less: 2001-02 Budgeted ECPA (Including prior year budgeted carryover)	<u>( 1,700,000) (4)</u>
Available & Unbudgeted ECPA Funds as of June 30, 2002	\$ <u>391 (5)</u>

- (1) Represents the revised 2001-02 allocation.
- (2) Represents the actual ECPA carryover from the June 30, 2001 CAFR
- (3) Included in the 2001-02 budget plan.
- (4) Amount budgeted in districts records (including prior year budgeted carryover, 2001-02 entitlement and any transfers/revisions made during 2001-02).
- (5) Represents unbudgeted ECPA funds and deferred revenue as of June 30, 2002.

Total ECPA deferred revenue will be (5) above plus any 2001-2002 ECPA unexpended/unencumbered funds. This amount must be reported as deferred revenue in the financial statements and in Schedule B, *Schedule of Expenditures of State Financial Assistance*, as ECPA deferred revenue. It should be noted that although the district was required to submit a detailed budget by program, there is no requirement to track ECPA expenditures by program. Accordingly, the ECPA statement of expenditures included in the CAFR is prepared at the summary level, not by program. This statement is the responsibility of the district.

Auditors should verify that the funds were expended only for approved ECPA programs pursuant to *N.J.S.A. 18A:7F-16* and are in compliance with the department approved ECPA Program Description and operational plan. Auditors should verify that the required Carryover Funds form was filed and that the proper revisions were made for June 30, 2001 carryover. Auditors should verify that the 2001-02 ECPA plan was amended to reflect audited carryover balances, test that the district has completed the transfer notification form for transfers and where appropriate obtained prior written approval. See the State Aid/Grant Compliance Supplement for the applicable year available on the NJ Treasury (OMB) web site for further audit procedures.

### Capital Reserve Account Procedures (ECPA)

The use of ECPA capital reserves beyond 2000-01 is permissible only in the limited situation of a DOE approved lease purchase. If a district entered a lease purchase agreement of five years or less for the construction of early childhood facilities, the use of ECPA capital reserves beyond 2000-01 is permissible if it was part of the DOE approved plan.

*N.J.S.A. 18A:7F-16* allows a district receiving early childhood program aid to place all or a portion of that aid in a capital reserve account during the first four years to establish facilities for preschool and full-day kindergarten by the 2001-2002 school year. Districts that budgeted and committed ECPA in the 2000-01 school year for construction purposes, but for unforeseen circumstances were unable to complete the project by September 2001, were permitted to utilize the unexpended committed 2000-01 construction dollars in 2001-02 to complete the project. **Any interest earned should not be added to the capital reserve account after June 30, 2001.** Such use of unexpended prior year ECPA required department approval and does not waive the statutory requirement for districts to have a full-day kindergarten for five-year olds and preschool for four-year olds in place beginning in September 2001. All unexpended prior year ECPA balances and 2001-02 ECPA amounts provided must first be used to ensure a program is in place by September 1, 2001 prior to the department approving the use of any unexpended prior year ECPA balances for completion of an unforeseen delayed early childhood facilities construction project.

**In the limited situation of a DOE approved lease purchase**, the capital reserve account at June 30, 2002 shall be reflected as both an asset (Capital Reserve Account) and a reserved fund balance (Reserved Fund Balance - Capital Reserve Account) in the CAFR's *Combined Balance Sheet - All Fund Types and Account Groups* Exhibit A-1 in the special revenue fund, **(GASB 34 Model – the capital reserve account balance at June 30, 2002 shall be presented under “Restricted assets: Capital reserve account – cash” and under Net Assets as “Restricted for: Capital Projects” on the *Statement of Net Assets*, Exhibit A-1 in the *Governmental Activities* column).** It shall also be reported, on the *Special Revenue Fund - Comparative Balance Sheet*, Exhibit C-1 (not applicable in the GASB 34 Model), and reflected as a fund balance on the *Special Revenue Fund – Combining Schedule of Revenues and Expenditures*, Exhibit C-2 **(GASB 34 Model – Exhibit E-2)**. The notes to the financial statements must contain a discussion of all legally restricted balances, including the amount, source and fiscal year in which it will be appropriated.



## **Distance Learning Network Aid and Instructional Supplement Aid**

DLNA and ISA which is not expended or encumbered by June 30th of the budget year shall be classified as deferred revenue in the financial accounts and statements and shall be expended in the subsequent year budget for allowable costs. Specific approval for the use of DLNA and ISA carryover is not required.

Both of these restricted formula aids are accounted for in the special revenue fund. DLNA must be accounted for under the support and facilities acquisition and construction services functions. Intended uses of these funds were provided in supporting documentation Item 17. All expenditures from DLNA must support distance learning activities and services, to assist all pupils in achieving New Jersey's Core Curriculum Content Standards. Allowable expenditures are included in the State Aid/Grant Compliance Supplement. ISA must be accounted for under the instruction and support functions. Intended uses of these funds were provided in supporting documentation Item 18. All expenditures must provide supplemental services for students from low-income families, the same purpose as DEPA. However, expanded coding is not required by program.

DLNA and ISA, which is not expended or encumbered by June 30th of the budget year, shall be classified as deferred revenue in the financial accounts and statements. The calculation of deferred revenue as of June 30, 2002 must include consideration of the audited June 30, 2001 deferred revenue carried over and included in the 2001-02 funds available for expenditure in 2001-02. Deferred revenue as of June 30, 2002 may be carried over and expended in 2002-03 for allowable costs as designated above. Specific approval for the use of DLNA and ISA carryover is not required.

Any unexpended or unencumbered DLNA or ISA must be reported as deferred revenue in the financial statements and in Schedule B, Schedule of Expenditures of State Financial Assistance. As part of the June 30th CAFR districts are required to prepare budgetary statements using the minimum outline required for the special revenue fund which must include the 2001-02 budgeted carryover for DLNA and ISA. This statement is the responsibility of the district. The State Aid/Grant Compliance Supplement should be referenced for compliance requirements and suggested audit procedures.

### ***PREPARING THE DEMONSTRABLY EFFECTIVE PROGRAM RESTRICTED AID (DEPA) STATEMENTS***

The *Statement of Demonstrably Effective Program Aid* is prepared from the district records and is the responsibility of the district. These statements are to be included in the *Special Revenue Combining and Individual Fund and Account Group Statements and Schedules* (GASB 34 Model – include this schedule in the Special Revenue Fund section of Other Supplementary Information) (see table of contents for the pre GASB 34 or GASB 34 statements in The Audit Program). A separate statement must be prepared for each location as well as a district-wide statement. All districts eligible for Demonstrably Effective Program Aid (DEPA) were required to maintain separate program and service accounts at the school-level in the special revenue fund using the uniform grant project budget statement coding structure.

The format of the schedule was designed to provide an audit trail of the actual versus budgeted spending by approved demonstrably effective program (DEP) as well as calculate deferred revenue by location. This statement is to be prepared on the budgetary basis where "actual" equals the 2001-02 expenditures plus encumbrances at June 30, 2002. These encumbrances must be liquidated within 60 to 90 days.

A statement is to be prepared for each location that spent DEPA. This statement must include the actual spending for each program/strategy in place at that school using the uniform grant project budget statement coding structure. All of the programs/strategies are to be summed up to determine the total spending by school.

At the bottom of each school statement is a calculation of the 2001-02 Available & Unbudgeted funds and the Actual Carryover as of June 30, 2002. Line (1) represents the 2001-02 DEPA allocation for that school. Note: In instances where original aid allocations by school included closed schools or omitted

schools, department approval would have been necessary to change the by school allocation and should be on file at the district.

Line (2) represents the actual audited DEPA carryover as of June 30, 2001 at that location. Carryover balances may have been anticipated in the 2001-02 original budget. Districts were instructed to utilize a Carryover Funds form to request use of June 30, 2001 balances or to adjust prior estimates. Copies of the approved request should be on file at the district. Line (3) represents the total 2001 - 02 DEPA funds available for the 2001-02 budget (the sum of Lines 1-2). Line (4) represents the amount the district included in its DEPA budget for the fiscal year 2001-02 including approved carryover amounts and contribution to charter schools. Contribution to charter schools is a new line in the 2000-01 budget, line 13682. Line (5) represents the difference between Line (3) and Line (4). If a district did not revise its budgeted original allocation (if different) or revise its budgeted June 30, 2001 carryover, then this amount is considered Available and Unbudgeted as of June 30, 2002. Line (5) is then considered a component of the Actual Carryover – DEPA as of June 30, 2002.

Line (6) represents 2001-02 budgeted DEPA (Line 4) less the “total actual” for the school (unexpended/unencumbered DEPA). Line (7) is the total of Lines (5) and (6).

Line (8) can be found in the 2002-2003 Supporting Documentation 16c for that location from the 2002-2003 certified budget. If the actual carryover (Line 7) is less than the budgeted amount then the district must file an amended 2002-2003 DEPA operational plan with the department. If the actual carryover is greater than the budgeted carryover then the district has the option of filing an amended DEPA operational plan or can retain the additional carryover amount not originally budgeted as deferred revenue until 2003-04.

A district-wide summary statement is to be prepared once a statement is completed for each location. The “actual” column is the sum of the “total actual” columns from the location statements. The “budgeted” column can be obtained from the district’s 2001-02 certified Detailed Appropriations lines 13410 – 13690 adjusted for any revised allocations, approved carryovers and/or transfers. The total “budgeted” expenditures reported on the district-wide summary must equal the sum of the total budgeted DEPA expenditures (Line 4) from the location statements.

The bottom of the district-wide summary is a roll up of the carryover calculations from the location statements. The amount reported as Total 2001-02 DEPA Allocation must agree to the total DEPA entitlement reported on the 2001-02 State Aid printouts (SA1a) dated January 25, 2001.

The amount reported as “Actual Carryover-DEPA” must agree to the total of the deferred revenue reported on Schedule B, *Schedule of State Financial Assistance*, under DEPA. The deferred revenue amounts appearing in the *Combined Balance Sheet* of the General-Purpose Financial Statements (**GASB 34 Model – the Governmental Funds Balance Sheet, Exhibit B-1**) will be the total of the deferred revenue per the *Schedule of State Financial Assistance*, Schedule B, plus any encumbrances. This difference will be included in the required reconciliation contained in the footnotes to the General-Purpose Financial Statements. (**GASB 34 Model – differences will be included in the Required Supplementary Information – Budgetary Comparison Schedule, Note to RSI, Exhibit C-3**).

Please note that on the following sample statements every possible account is listed. This is an optional format; districts may list only those accounts that are applicable. In addition, the line (#) references on the sample statements should not appear on the actual statement in the CAFR. Additionally, the four individual schools presented include different scenarios to assist in the preparation of these statements.

**Anytown School District  
Special Revenue Fund  
Statement of Demonstrably Effective Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

<b><u>District-wide Total</u></b>			
	<b><u>2002</u></b>		
	<b><u>Budgeted</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ 1,173,000	\$ 1,118,479	\$ 54,521
Other Salaries for Instruction	20,500	14,040	6,460
Purchased Professional and Technical Services	1,950	1,800	150
Other Purchased Services (400-500 series)	67,604	60,007	7,597
General Supplies	137,000	136,838	162
Textbooks	190,250	189,217	1,033
Other Objects	1,200	-	1,200
<b>Total instruction</b>	<b><u>1,591,504</u></b>	<b><u>1,520,381</u></b>	<b><u>71,123</u></b>
<b>Support services:</b>			
Salaries of Program Directors	-	-	-
Salaries of Supervisors of Instruction	-	-	-
Salaries of Other Professional Staff	50,000	44,445	5,555
Salaries of Secr. and Clerical Assistants	-	-	-
Other Salaries	6,000	3,500	2,500
Personal Services - Employee Benefits	155,000	150,860	4,140
Purchased Professional - Educational Services	13,072	13,072	-
Other Purchased Professional Services	3,900	-	3,900
Purchased Technical Services	3,190	3,190	-
Rentals	1,250	1,000	250
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-
Travel	1,670	1,375	295
Other Purchased Services (400-500 Series)	-	-	-
Supplies & Materials	17,237	14,486	2,751
Other Objects	-	-	-
<b>Total support services</b>	<b><u>251,319</u></b>	<b><u>231,928</u></b>	<b><u>19,391</u></b>
<b>Facilities acquisition and const. serv.:</b>			
Instructional Equipment	306,727	302,403	4,324
Noninstructional Equipment	1,450	550	900
<b>Total facilities acquisition and const. serv.</b>	<b><u>308,177</u></b>	<b><u>302,953</u></b>	<b><u>5,224</u></b>
<b>Contribution to charter schools</b>	<b><u>180,000</u></b>	<b><u>180,000</u></b>	<b><u>-</u></b>
<b>Total expenditures</b>	<b><u>\$ 2,331,000</u></b>	<b><u>\$ 2,235,262</u></b>	<b><u>\$ 95,738</u></b>

**SUMMARY OF LOCATION TOTALS**

<p style="text-align: center;"><b>Note to Preparer</b></p> <p>a) Prepare all individual DEPA locations prior to completing this exhibit.</p> <p>b) The Actual Carryover - DEPA must equal the deferred revenue reflected on Schedule B</p>
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Total 2001-02 DEPA Allocation	\$ 2,260,000	(1)
Actual DEPA Carryover (June 30, 2001)	81,963	(2)
Total DEPA Funds Available for 2001-02 Budget	2,341,963	(3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	(2,331,000)	(4)
Available & Unbudgeted DEPA Funds as of June 30, 2002	10,963	(5)
Add: 2001-02 Unexpended DEPA	95,738	(6)
2002-03 Actual Carryover	\$ 106,701	(7)
2001-02 DEPA Carryover Budgeted in 2002-03	\$ 63,000	(8)



**Anytown School District  
Special Revenue Fund  
Statement of Demonstrably Effective Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

<u>School: Backman</u>	<b>Program Code</b>				<b>Total Actual</b>
	<b>115</b>	<b>117</b>	<b>2XX</b>	<b>999</b>	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 89,206	\$ 1,455	\$ -	\$ -	\$ 90,661
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional and Technical Services	-	1,800	-	-	1,800
Other Purchased Services (400-500 series)	-	-	13,694	-	13,694
General Supplies	7,934	-	-	-	7,934
Textbooks	5,800	-	-	-	5,800
Other Objects	-	-	-	-	-
<b>Total instruction</b>	<u>102,940</u>	<u>3,255</u>	<u>13,694</u>	<u>-</u>	<u>119,889</u>
<b>Support Services:</b>					
Salaries of Program Directors	-	-	-	-	-
Salaries of Supervisors of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secr. and Clerical Assistants	-	-	-	-	-
Other Salaries	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	2,840	350	-	-	3,190
Rentals	-	1,000	-	-	1,000
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-	-	-
Travel	-	1,375	-	-	1,375
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies & Materials	11,526	750	-	-	12,276
Other Objects	-	-	-	-	-
<b>Total support services</b>	<u>14,366</u>	<u>3,475</u>	<u>-</u>	<u>-</u>	<u>17,841</u>
<b>Facilities acquisition and const. serv.:</b>					
Instructional Equipment	14,000	-	-	-	14,000
Noninstructional Equipment	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,000</u>
<b>Contribution to charter schools</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,000</u>	<u>180,000</u>
<b>Total expenditures</b>	<u>\$ 131,306</u>	<u>\$ 6,730</u>	<u>\$ 13,694</u>	<u>\$ 180,000</u>	<u>\$ 331,730</u>

**Note to Preparer**

a) Budgeted 2001-02 funds do not equal DEPA funds available - resulting in Unbudgeted DEPA funds of \$3,270 as of June 30, 2002.

b) Total unexpended/unencumbered as of June 30, 2001 is \$43,270 (\$375,000 - \$331,730).

c) Deferred revenue as of June 30, 2002 is the unbudgeted of \$3,270 plus the unexpended/unencumbered of \$43,924 for a total of \$46,540.

d) Since the actual carryover is greater than the amount Budgeted in 2002-03, the district should consider revising its 2002-03 DEPA Budget.

<b>CALCULATION OF BUDGET &amp; CARRYOVER</b>		
2001-02 DEPA Allocation	\$ 355,000	(1)
Actual DEPA Carryover (June 30, 2001)	23,270	(2)
Total DEPA Funds Available for 2001-02 Budget	378,270	(3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	(375,000)	(4)
Available & Unbudgeted DEPA Funds as of June 30, 2002	3,270	(5)
Add: 2001-02 Unexpended DEPA	43,270	(6)
2002-03 Actual Carryover - DEPA	\$ 46,540	(7)
2001-02 DEPA Carryover Budgeted in 2002-03	\$ 40,000	(8)

**Anytown School District  
Special Revenue Fund  
Statement of Demonstrably Effective Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

<u>School: Beacon Heights</u>	Program Code				Total Actual
	<u>108</u>	<u>121</u>	<u>114</u>	<u>999</u>	
	Actual	Actual	Actual	Actual	
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 287,000	\$ 76,000	\$ 161,385	\$ -	\$ 524,385
Other Salaries for Instruction	-	14,040	-	-	14,040
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	18,435	18,435
General Supplies	22,860	-	30,573	-	53,433
Textbooks	32,535	-	-	-	32,535
Other Objects	-	-	-	-	-
<b>Total instruction</b>	<b>342,395</b>	<b>90,040</b>	<b>191,958</b>	<b>18,435</b>	<b>642,828</b>
<b>Support Services:</b>					
Salaries of Program Directors	-	-	-	-	-
Salaries of Supervisors of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secr. and Clerical Assistants	-	-	-	-	-
Other Salaries	-	-	3,500	-	3,500
Personal Services - Employee Benefits	53,500	9,000	-	-	62,500
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	-	-	-	-	-
Rentals	-	-	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
<b>Total support services</b>	<b>53,500</b>	<b>9,000</b>	<b>3,500</b>	<b>-</b>	<b>66,000</b>
<b>Facilities acquisition and const. serv.:</b>					
Instructional Equipment	29,784	-	75,015	-	104,799
Noninstructional Equipment	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	<b>29,784</b>	<b>-</b>	<b>75,015</b>	<b>-</b>	<b>104,799</b>
<b>Contribution to charter schools</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 425,679</b>	<b>\$ 99,040</b>	<b>\$ 270,473</b>	<b>\$ 18,435</b>	<b>\$ 813,627</b>

**Note to Preparer**

a) Budgeted 2001-02 funds do not equal DEPA funds available - resulting in Unbudgeted DEPA funds of \$2,132 as of June 30, 2002.  
b) Total unexpended/unencumbered as of June 30, 2002 is \$4,373 (\$818,000 - \$813,627).  
c) Total Actual Carryover as of June 30, 2002 is the unexpended balance of \$4,373 plus the unbudgeted balance of \$2,132 for a total of \$6,505.  
d) Since the 2002-03 Actual Carryover is more than the the amount Budgeted in 2002-03, the district should consider revising its 2002-03 DEPA Budget.

**CALCULATION OF BUDGET & CARRYOVER**

2001-02 DEPA Allocation	\$ 800,000	(1)
Actual DEPA Carryover (June 30, 2001)	20,132	(2)
Total DEPA Funds Available for 2001-02 Budget	820,132	(3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	(818,000)	(4)
Available & Unbudgeted DEPA Funds as of June 30, 2002	2,132	(5)
Add: 2001-02 Unexpended DEPA	4,373	(6)
2002-03 Actual Carryover - DEPA	\$ 6,505	(7)
2002-03 DEPA Carryover Budgeted in 2002-03	\$ 6,000	(8)

**Anytown School District  
Special Revenue Fund  
Statement of Demonstrably Effective Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

<u>School: Bennion</u>	<b>Program Code</b>				<b>Total Actual</b>
	<b>112</b>	<b>103</b>	<b>102</b>	<b>999</b>	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ -	\$ 204,250	\$ 65,000	\$ -	\$ 269,250
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
General Supplies	-	68,906	6,565	-	75,471
Textbooks	-	35,965	-	-	35,965
Other Objects	-	-	-	-	-
<b>Total instruction</b>	<u>-</u>	<u>309,121</u>	<u>71,565</u>	<u>-</u>	<u>380,686</u>
<b>Support Services:</b>					
Salaries of Program Directors	-	-	-	-	-
Salaries of Supervisors of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	21,840	2,720	19,885	-	44,445
Salaries of Secr. and Clerical Assistants	-	-	-	-	-
Other Salaries	-	-	-	-	-
Personal Services - Employee Benefits	-	37,204	-	-	37,204
Purchased Professional - Educational Services	13,072	-	-	-	13,072
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	-	-	-	-	-
Rentals	-	-	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies & Materials	2,210	-	-	-	2,210
Other Objects	-	-	-	-	-
<b>Total support services</b>	<u>37,122</u>	<u>39,924</u>	<u>19,885</u>	<u>-</u>	<u>96,931</u>
<b>Facilities acquisition and const. serv.:</b>					
Instructional Equipment	-	135,272	-	-	135,272
Noninstructional Equipment	-	550	-	-	550
<b>Total facilities acquisition and const. serv.</b>	<u>-</u>	<u>135,822</u>	<u>-</u>	<u>-</u>	<u>135,822</u>
<b>Contribution to Charter Schools</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>#####</u>	<u>\$ 484,867</u>	<u>\$ 91,450</u>	<u>\$ -</u>	<u>\$ 613,439</u>

**Note to Preparer**  
a) Budgeted 2001-02 funds do not equal DEPA funds available - resulting in Unbudgeted DEPA funds of \$5,561 as of June 30, 2002.  
b) Total unexpended/unencumbered as of June 30, 2002 is \$31,561 (\$645,000 - \$613,439).  
c) Total Actual Carryover - DEPA is the unbudgeted \$5,561 and the unexpended/unencumbered of \$31,561.  
d) Since the 2001-02 Actual Carryover is greater than the amount Budgeted in 2002-03, the District should consider revising its 2002-03 DEPA Budget.

**CALCULATION OF BUDGET & CARRYOVER**

2001-02 DEPA Allocation	\$ 627,000	(1)
Actual DEPA Carryover (June 30, 2001)	23,561	(2)
Total DEPA Funds Available for 2001-02 Budget	650,561	(3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	(645,000)	(4)
Available & Unbudgeted DEPA Funds as of June 30, 2002	5,561	(5)
Add: 2001-02 Unexpended DEPA	31,561	(6)
2002-03 Actual Carryover - DEPA	\$ 37,122	(7)
2001-02 DEPA Carryover Budgeted in 2002-03	\$ -	(8)

**Anytown School District  
Special Revenue Fund  
Statement of Demonstrably Effective Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

<u>School: Bonneville</u>	<b>Program Code</b>				<b>Total Actual</b>
	<b>102</b>	<b>107</b>	<b>108</b>	<b>999</b>	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	\$ 2,500	\$ 226,015	\$ 5,668	\$ -	\$ 234,183
Other Salaries for Instruction	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	27,878	-	-	27,878
General Supplies	-	-	-	-	-
Textbooks	2,303	20,000	92,614	-	114,917
Other Objects	-	-	-	-	-
<b>Total instruction</b>	<u>4,803</u>	<u>273,893</u>	<u>98,282</u>	<u>-</u>	<u>376,978</u>
<b>Support Services:</b>					
Salaries of Program Directors	-	-	-	-	-
Salaries of Supervisors of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secr. and Clerical Assistants	-	-	-	-	-
Other Salaries	-	-	-	-	-
Personal Services - Employee Benefits	-	51,156	-	-	51,156
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Professional Services	-	-	-	-	-
Purchased Technical Services	-	-	-	-	-
Rentals	-	-	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-	-	-
Travel	-	-	-	-	-
Other Purchased Services (400-500 Series)	-	-	-	-	-
Supplies & Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
<b>Total support services</b>	<u>-</u>	<u>51,156</u>	<u>-</u>	<u>-</u>	<u>51,156</u>
<b>Facilities acquisition and const. serv.:</b>					
Instructional Equipment	-	48,332	-	-	48,332
Noninstructional Equipment	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	<u>-</u>	<u>48,332</u>	<u>-</u>	<u>-</u>	<u>48,332</u>
<b>Contribution to Charter Schools</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>\$ 4,803</u>	<u>\$ 373,381</u>	<u>\$ 98,282</u>	<u>\$ -</u>	<u>\$ 476,466</u>

<b>Notes to Preparer</b>
a) Budgeted 2001-02 funds equal DEPA funds available.
b) There are no Unbudgeted DEPA funds as of June 30, 2002.
c) Total unexpended/unencumbered as of June 30, 2002 is \$16,534 deferred revenue (\$493,000 - \$476,466).
d) Since the 2002-03 Actual Carryover is less than the amount Budgeted in 2002-03, the District must revise its 2002-03 DEPA budget.

**CALCULATION OF BUDGET & CARRYOVER**

2001-02 DEPA Allocation	\$ 478,000	(1)
Actual DEPA Carryover (June 30, 2001)	15,000	(2)
Total DEPA Funds Available for 2001-02 Budget	493,000	(3)
Less: 2001-02 Budgeted DEPA (Including prior year budgeted carryover)	(493,000)	(4)
Available & Unbudgeted DEPA Funds as of June 30, 2002	-	(5)
Add: 2001-02 Unexpended DEPA	16,534	(6)
2002-03 Actual Carryover - DEPA	\$ 16,534	(7)
2001-02 DEPA Carryover Budgeted in 2002-03	\$ 17,000	(8)

***PREPARING THE EARLY CHILDHOOD PROGRAM RESTRICTED AID (ECPA) STATEMENT***

The *Statement of Early Childhood Program Aid* is prepared from the district records and is the responsibility of the district. This statement is to be included in the *Special Revenue Combining and Individual Fund and Account Group Statements and Schedules* **(GASB 34 Model – include this schedule in the Special Revenue Fund section of Other Supplementary Information)** (see table of contents for the pre GASB 34 or GASB 34 statements in The Audit Program). All districts eligible for ECPA were required to track ECPA expenditures in the special revenue fund using the uniform grant project budget statement coding structure.

The format of the schedule was designed to provide an audit trail of the actual versus budgeted expenditures as well as calculate deferred revenue. This statement is to be prepared on the budgetary basis where “actual” equals the 2001-02 expenditures plus encumbrances at June 30, 2002. These encumbrances must be liquidated within 60 to 90 days. The “budgeted” amounts can be obtained from the district’s 2001-02 certified Detailed Appropriations lines 13010 – 13300 adjusted for any approved carryovers and/or transfers.

At the bottom of the statement is a calculation of the 2001-02 Available & Unbudgeted funds and the Actual Carryover as of June 30, 2002. Line (1) represents the total 2001-02 ECPA allocation. This can be obtained from the 2001-02 State Aid printouts dated January 25, 2001.

Line (2) represents the actual audited ECPA carryover as of June 30, 2001. Carryover balances may have been anticipated in the 2001-02 original budget. Districts were instructed to utilize a Carryover Funds form to request use of June 30, 2001 balances or to adjust prior estimates. Copies of the approved request should be on file at the district. Line (3) represents the budgeted transfer from the general fund to fund ECPA programs. This amount can be obtained from Line 511 (Account 20-5200) in the 2001-02 certified advertised revenues. Line (4) represents the total 2001-02 ECPA funds available for the 2001-02 budget (the sum of Lines 1-3).

Line (5) represents the amount the district included in its ECPA budget for the fiscal year 2001-02, including contribution to charter schools. The transfer to charter schools was a new line in the budget for 2000-01, line 13292. Line (6) represents the difference between Line (4) and Line (5). If a district did not revise its budgeted original allocation (if different) or revise its budgeted June 30, 2001 carryover, then this amount is considered Available and Unbudgeted as of June 30, 2002. Line (6) is then considered a component of the Actual Carryover – ECPA as of June 30, 2002.

Line (7) represents 2001-02 budgeted ECPA (Line 5) less the “total actual” for the program. This amount represents the 2001-02 unexpended/unencumbered ECPA. Line (8) is the total Actual Carryover – ECPA as of June 30, 2002 and is the sum of Lines (6) and (7).

Line (9) can be found in the 2002-03 Supporting Documentation 15b from the 2002-03 certified budget. If the actual carryover (Line 8) is less than the budgeted amount then the district must file an amended 2002-03 ECPA Program Description with the department. If the actual carryover is greater than the budgeted carryover then the district has the option of filing an amended ECPA Program Description or can retain the additional carryover amount not originally budgeted as deferred revenue until 2003-04.

ECPA Capital Reserve accounts were required to be depleted in 2000-01 and only used for programs and services after June 30, 2001. In the limited situation of a DOE approved lease purchase agreement a district will have a balance in the ECPA Capital Reserve fund. Please note that this balance is an approved fund balance in the special revenue fund.

The Actual ECPA Carryover is the difference between the budgeted amount and the actual amount. This carryover must agree to the total of the deferred revenue reported on Schedule B, *Schedule of State Financial Assistance*, under ECPA. The deferred revenue amounts appearing in the *Combined Balance Sheet* of the General-Purpose Financial Statements (**GASB 34 Model – the Governmental Funds Balance Sheet, Exhibit B-1.**) will be the total of the deferred revenue per the *Schedule of State Financial Assistance*, Schedule B, plus any encumbrances. This difference will be included in the required reconciliation contained in the footnotes to the General-Purpose Financial Statements (**GASB 34 Model – differences will be included in the Required Supplementary Information – Budgetary Comparison Schedule, Note to RSI, Exhibit C-3.**)

Please note that on the following example statement every possible account is listed. This is an optional format. Districts may list only those accounts that are applicable. In addition, the line (#) references on the example statements should not appear on the actual statements in the CAFR.



Anytown School District  
Special Revenue Fund  
Statement of Early Childhood Program Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002

	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ 658,954	\$ 643,268	\$ 15,686
Other Salaries for Instruction	253,474	252,365	1,109
Purchased Professional and Technical Services	-	-	-
Other Purchased Services (400-500 series)	325,000	315,000	10,000
General Supplies	90,500	82,500	8,000
Textbooks	-	-	-
Other Objects	-	-	-
<b>Total instruction</b>	<u>1,327,928</u>	<u>1,293,133</u>	<u>34,795</u>
<b>Support services:</b>			
Salaries of Program Directors	-	-	-
Salaries of Supervisors of Instruction	-	-	-
Salaries of Other Professional Staff	-	-	-
Salaries of Secr. and Clerical Assistants	-	-	-
Other Salaries	-	-	-
Personal Services - Employee Benefits	122,072	116,589	5,483
Purchased Professional - Educational Services	75,000	35,689	39,311
Other Purchased Professional Services	-	-	-
Purchased Technical Services	-	-	-
Rentals	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-
Travel	-	-	-
Other Purchased Services (400-500 Series)	-	-	-
Supplies & Materials	-	-	-
Other Objects	-	-	-
<b>Total support services</b>	<u>197,072</u>	<u>152,278</u>	<u>44,794</u>
<b>Equipment</b>			
Instructional equipment	25,000	20,000	5,000
Noninstructional equipment	-	-	-
<b>Total Equipment</b>	<u>25,000</u>	<u>20,000</u>	<u>5,000</u>
<b>Contribution to Charter Schools</b>	<u>150,000</u>	<u>100,000</u>	<u>50,000</u>
<b>Total expenditures</b>	<u>\$ 1,700,000</u>	<u>\$ 1,565,411</u>	<u>\$ 134,589</u>

**Note to Preparer**  
a) The Actual ECPA carryover must equal the deferred revenue reflected on Schedule B.  
b) Since the actual carryover is more than the amount budgeted in 2002-03, the district should consider revising its 2003-03 ECPA budget.  
c) Only districts with a DOE approved lease purchase may have funds remaining in the ECPA capital reserve account.

**CALCULATION OF BUDGET & CARRYOVER**

Total 2001-02 ECPA Allocation	\$ 1,537,835	(1)
Add: Actual ECPA Carryover (June 30, 2001)	57,556	(2)
Add: Budgeted transfer from General Fund	105,000	(3)
Total ECPA Funds Available for 2001-02 Budget	1,700,391	(4)
Less: 2001-02 Budgeted ECPA (Including prior year budgeted carryover)	(1,700,000)	(5)
Available & Unbudgeted ECPA Funds as of June 30, 2002	391	(6)
Add: June 30, 2002 Unexpended ECPA	134,589	(7)
2002-03 Actual Carryover - ECPA	<u>\$ 134,980</u>	(8)
2001-02 ECPA Carryover Budgeted in 2002-03	<u>\$ 130,000</u>	(9)

***PREPARING THE DISTANCE LEARNING NETWORK AID (DLNA) RESTRICTED AID STATEMENT***

The *Statement of Distance Learning Network Aid* is prepared from the district records and is the responsibility of the district. This statement is to be included in the *Special Revenue Combining and Individual Fund and Account Group Statements and Schedules* **(GASB 34 Model – include this schedule in the Special Revenue Fund section of Other Supplementary Information)** - see table of contents for the pre GASB 34 or GASB 34 statements in The Audit Program. All districts eligible for Distance Learning Network Aid were required to track these expenditures in the special revenue fund using the uniform grant project budget statement coding structure.

The format of the schedule was designed to provide an audit trail of the actual versus budgeted expenditures as well as calculate deferred revenue. This statement is to be prepared on the budgetary basis where “actual” equals the 2001-02 expenditures plus encumbrances at June 30, 2002. These encumbrances must be liquidated within 60 to 90 days. The “budgeted” amounts are to be taken from the district’s 2001-02 certified budget on lines 13710 – 13900 of the Detailed Appropriations adjusted for any approved carryovers and/or transfers.

At the bottom of the statement is a calculation of the 2001-02 Available & Unbudgeted funds and the Actual Carryover as of June 30, 2002. Line (1) represents the 2001-02 DLNA allocation. This can be obtained from the 2001-02 State Aid printouts dated January 25, 2001.

Line (2) represents the actual audited DLNA carryover as of June 30, 2001. Line (3) represents the total 2001-02 DLNA funds available for the 2001-02 budget (the sum of Lines 1 & 2). Line (4) represents the amount the district included in its DLNA budget for the fiscal year 2001-02, including the contribution to charter schools. Contribution to charter schools is a new budget line in 2000-01, line 13892. Line (5) represents the difference between Line (3) and Line (4). If a district did not revise its budgeted original allocation (if different) or revise its budgeted June 30, 2001 carryover, then this amount is considered Available and Unbudgeted as of June 30, 2002. Line (5) is then considered a component of the Actual Carryover – DLNA as of June 30, 2002.

Line (6) represents 2001-02 budgeted DLNA (Line 4) less the “total actual” for the program. This amount represents the unexpended/unencumbered DLNA. Line (7) is the total Actual Carryover – DLNA as of June 30, 2002 and is the sum of Lines (5) and (6).

Line (8) can be found in the district’s 2002-03 certified budget on line 423 of the Advertised Revenue Section. All carryover must be expended in subsequent years for allowable program expenditures.

The Actual Distance Learning Carryover is the difference between the budgeted amount and the actual amount. This carryover must agree to the total of the deferred revenue reported on Schedule B, *Schedule of State Financial Assistance*, under Distance Learning Network Aid. The deferred revenue amounts appearing in the *Combined Balance Sheet* of the General-Purpose Financial Statements **(GASB 34 Model – the Governmental Funds Balance Sheet, Exhibit B-1)** will be the total of the deferred revenue per the *Schedule of State Financial Assistance*, Schedule B, plus any encumbrance. This difference will be included in the required reconciliation contained in the footnotes to the General-Purpose Financial Statements. **(GASB 34 Model – differences will be included in the Required Supplementary Information – Budgetary Comparison Schedule, Note to RSI, Exhibit C-3).**

Please note that on the following example statement every possible account is listed. This is an optional format. Districts may list only those accounts that are applicable.

Anytown School District  
Special Revenue Fund  
Statement of Distance Learning Network Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002

	Total		
	Budgeted	Actual	Variance
<b>EXPENDITURES:</b>			
<b>Support services:</b>			
Salaries of Program Directors	\$ -	\$ -	\$ -
Salaries of Supervisors of Instruction	-	-	-
Salaries of Other Professional Staff	14,877	14,877	-
Salaries of Secr. and Clerical Assistants	-	-	-
Other Salaries	-	-	-
Personal Services - Employee Benefits	-	-	-
Purchased Professional - Educational Services	-	-	-
Other Purchased Professional Services	-	-	-
Purchased Technical Services	-	-	-
Rentals	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-
Travel	-	-	-
Other Purchased Services (400-500 Series)	86,575	75,895	10,680
Supplies & Materials	21,548	21,548	-
Other Objects	-	-	-
<b>Total support services</b>	<b>123,000</b>	<b>112,320</b>	<b>10,680</b>
<b>Facilities acquisition and const. serv.:</b>			
Buildings	157,500	150,000	7,500
Instructional Equipment	-	-	-
Noninstructional Equipment	100,000	100,000	-
<b>Total facilities acquisition and const. serv.</b>	<b>257,500</b>	<b>250,000</b>	<b>7,500</b>
<b>Contribution to Charter Schools</b>	<b>17,500</b>	<b>17,500</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 398,000</b>	<b>\$ 379,820</b>	<b>\$ 18,180</b>

**CALCULATION OF BUDGET & CARRYOVER**

**Note to Preparer**  
a) The Actual DLNA Carryover must equal the deferred revenue reflected on Schedule B.  
b) Since the 2002-03 Actual Carryover is greater than the amount Budgeted in 2002-03 the District should consider revising its 2002-03 DLNA Budget.

Total 2001-02 Distance Learning Network Aid Allocation	\$ 378,925	(1)
Actual Distance Learning Network Aid Carryover (June 30, 2001)	20,000	(2)
Total Distance Learning Network Aid Available for 2001-02 Budget	398,925	(3)
Less: 2001-02 Budgeted Distance Learning Network Aid (Including prior year budgeted carryover)	(398,000)	(4)
Available & Unbudgeted DLNA Funds as of June 30, 2002	925	(5)
Add: 2001-02 Unexpended DLNA	18,180	(6)
2002-03 Actual Carryover - DLNA	\$ 19,105	(7)
2001-02 DLNA Carryover Budgeted in 2002-03	\$ 15,000	(8)

***PREPARING THE INSTRUCTIONAL SUPPLEMENT AID (ISA) RESTRICTED AID  
STATEMENT***

The *Statement of Instructional Supplement Aid* is prepared from the district records and is the responsibility of the district. This statement is to be included in the *Special Revenue Combining and Individual Fund and Account Group Statements and Schedules* **(GASB 34 Model – include this schedule in the Special Revenue Fund section of Other Supplementary Information)** - see table of contents for the pre GASB 34 or GASB 34 statements in The Audit Program. All districts eligible for ISA were required to track these expenditures in the special revenue fund using the uniform grant project budget statement coding structure.

The format of the schedule was designed to provide an audit trail of the actual versus budgeted expenditures as well as calculate deferred revenue. This statement is to be prepared on the budgetary basis where “actual” equals the 2001-02 expenditures plus encumbrances at June 30, 2002. These encumbrances must be liquidated within 60 to 90 days. The “budgeted” amounts are to be taken from the district’s 2001-02 certified budget on lines 14010 – 14250 of the Detailed Appropriations adjusted for any approved carryovers and/or transfers.

At the bottom of the statement is a calculation of the 2001-02 Available & Unbudgeted funds and the Actual Carryover as of June 30, 2002. Line (1) represents the 2001-02 ISA allocation. This can be obtained from the 2001-02 State Aid printouts dated January 25, 2001.

Line (2) represents the actual audited ISA carryover as of June 30, 2001. Line (3) represents the total 2001-02 ISA funds available for the 2001-02 budget (the sum of Lines 1 & 2). Line (4) represents the amount the district included in its ISA budget for the fiscal year 2001-02, including the contribution to charter schools. Contribution to charter schools was a new line in the 2000-01 budget, line 14242. Line (5) represents the difference between Line (3) and Line (4). If a district did not revise its budgeted original allocation (if different) or revise its budgeted June 30, 2001 carryover, then this amount is considered Available and Unbudgeted as of June 30, 2002. Line (5) is then considered a component of the Actual Carryover – ISA as of June 30, 2002.

Line (6) represents 2001-02 budgeted ISA (Line 4) less the “total actual” for the program. This amount represents the unexpended/unencumbered ISA. Line (7) is the total Actual Carryover – ISA as of June 30, 2002 and is the sum of Lines (5) and (6).

Line (8) can be found in the district’s 2002-03 certified budget on line 424 of the Advertised Revenue Section. All carryover must be expended in subsequent years for allowable program expenditures.

The Actual Instructional Supplement Aid Carryover is the difference between the budgeted amount and the actual amount. This carryover must agree to the total of the deferred revenue reported on Schedule B, *Schedule of State Financial Assistance*, under Instructional Supplement Aid. The deferred revenue amounts appearing in the *Combined Balance Sheet* of the General-Purpose Financial Statements **(GASB 34 Model – the Governmental Funds Balance Sheet, Exhibit B-1)** will be the total of the deferred revenue per the *Schedule of State Financial Assistance*, Schedule B, plus any encumbrances. This difference will be included in the required reconciliation contained in the footnotes to the General-Purpose Financial Statements. **(GASB 34 Model – differences will be included in the Required Supplementary Information – Budgetary Comparison Schedule, Note to RSI, Exhibit C-3).**

Please note that on the following example statement every possible account is listed. This is an optional format. Districts may list only those accounts that are applicable.

**Anytown School District  
Special Revenue Fund  
Statement of Instructional Supplement Aid  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2002**

	<b>Total</b>		
	<b>Budgeted</b>	<b>Actual</b>	<b>Variance</b>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ -	\$ -	\$ -
Other Salaries for Instruction	-	-	-
Purchased Professional and Technical Services	-	-	-
Other Purchased Services (400-500 series)	346,000	315,698	30,302
General Supplies	126,000	75,245	50,755
Textbooks	-	-	-
Other Objects	-	-	-
<b>Total instruction</b>	<u>472,000</u>	<u>390,943</u>	<u>81,057</u>
<b>Support services:</b>			
Salaries of Program Directors	-	-	-
Salaries of Supervisors of Instruction	-	-	-
Salaries of Other Professional Staff	-	-	-
Salaries of Secr. and Clerical Assistants	-	-	-
Other Salaries	-	-	-
Personal Services - Employee Benefits	-	-	-
Purchased Professional - Educational Services	-	-	-
Other Purchased Professional Services	75,000	65,895	9,105
Purchased Technical Services	-	-	-
Rentals	-	-	-
Contr. Serv.-Trans. (Other Than Bet. Home & Sch.)	-	-	-
Travel	-	-	-
Other Purchased Services (400-500 Series)	-	-	-
Supplies & Materials	-	-	-
Other Objects	-	-	-
<b>Total support services</b>	<u>75,000</u>	<u>65,895</u>	<u>9,105</u>
<b>Contribution to charter schools</b>	<u>23,000</u>	<u>23,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>\$ 570,000</u>	<u>\$ 479,838</u>	<u>\$ 90,162</u>

**CALCULATION OF BUDGET & CARRYOVER**

**Note to Preparer**  
a) The Actual ISA Carryover must equal the deferred revenue reflected on Schedule B.  
b) Since the 2002-03 Actual Carryover is less than the amount Budgeted in 2002-03, the District must revise its 2002-03 ISA Budget.

Total 2001-02 Instructional Supplement Aid Allocation	\$ 550,000	(1)
Actual Instructional Supplement Carryover (June 30, 2001)	25,000	(2)
Total Instructional Supplement Aid Available for 2001-02 Budget	575,000	(3)
Less: 2001-02 Budgeted Instructional Supplement Aid (Including prior year budgeted carryover)	(570,000)	(4)
Available & Unbudgeted ISA Funds as of June 30, 2002	5,000	(5)
Add: 2001-02 Unexpended ISA	90,162	(6)
2002-03 Actual Carryover - ISA	<u>\$ 95,162</u>	(7)
2001-02 ISA Carryover Budgeted in 2002-03	<u>\$ 100,000</u>	(8)